

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS (Accrual Basis)
JUNE 30, 2005

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<u>ASSETS</u>	<u>Primary Government</u>		
	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<u>Current Assets</u>			
Cash and demand investments, pooled	\$ 10,050,355	\$ 576,442	\$ 10,626,797
Cash investments, pooled	15,476,201	893,969	16,370,170
Restricted cash held in trust, nonpooled	0	112,674	112,674
Receivables (net of allowance for uncollectibles):			
Property taxes	961,967	42,867	1,004,834
Accounts	1,199,862	11,474	1,211,336
Delinquent assessments	31,474	43,552	75,026
Deferred assessments	139,999	0	139,999
Accrued interest	92,430	1,399	93,829
Prepaid expenses	7,562	12,670	20,232
Inventories	238,110	31,322	269,432
Due from other taxing districts	12,609	0	12,609
Total current assets	28,210,569	1,726,369	29,936,938
<u>Noncurrent Assets</u>			
Deferred assessments receivable, net of allowance	1,271,363	0	1,271,363
Total noncurrent assets	1,271,363	0	1,271,363
<u>Capital assets (net of accumulated depreciation):</u>			
Land	1,132,792	368,574	1,501,366
Buildings	12,164,352	11,461,234	23,625,586
Improvements other than buildings	480,638	668,997	1,149,635
Equipment and vehicles	5,326,845	274,276	5,601,121
Infrastructure	1,909,632	0	1,909,632
Construction in progress	466,828	0	466,828
Total capital assets (net of accumulated depreciation)	21,481,087	12,773,081	34,254,168
TOTAL ASSETS	\$ 50,963,019	\$ 14,499,450	\$ 65,462,469

The notes to the financial statements are an integral part of this statement.

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS (Accrual Basis)
JUNE 30, 2005

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	Primary Government		
	Governmental Activities	Business-type Activities	Total
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Accounts payable	\$ 1,315,856	\$ 80,397	\$ 1,396,253
Accrued liabilities	1,297,857	90,010	1,387,867
Accrued compensated absences	485,787	43,527	529,314
Matured bonds payable	7,225	0	7,225
Unearned premiums	230,822	0	230,822
Notes payable	19,903	102,288	122,191
General obligation bonds	570,000	0	570,000
Special assessment debt with governmental commitment	102,740	0	102,740
Liabilities payable from restricted assets:			
Deferred revenue	0	79,221	79,221
Deposits	0	16,252	16,252
Due to other taxing districts	243,790	0	243,790
Total current liabilities	4,273,980	411,695	4,685,675
<u>Noncurrent Liabilities</u>			
Notes payable	47,045	393,987	441,032
Long-term liability for accrued compensated absences	1,455,293	130,580	1,585,873
General obligation bonds	5,355,000	0	5,355,000
Special assessment debt with governmental commitment	1,539,775	0	1,539,775
Total noncurrent liabilities	8,397,113	524,567	8,921,680
TOTAL LIABILITIES	12,671,093	936,262	13,607,355
<u>NET ASSETS</u>			
Investment in capital assets, net of related debt	21,388,592	12,276,806	33,665,398
Restricted net assets for debt service	792,684	0	792,684
Unrestricted	16,110,650	1,286,382	17,397,032
TOTAL NET ASSETS	\$ 38,291,926	\$ 13,563,188	\$ 51,855,114

The notes to the financial statements are an integral part of this statement.

**YELLOWSTONE COUNTY
STATEMENT OF ACTIVITIES (ACCRUAL BASIS)
FOR THE YEAR ENDED JUNE 30, 2005**

Functions / Programs	Program Revenues								Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Special Assessments	Licenses and Permits	Intergovernmental	Fines and Forfeitures	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
									Governmental Activities	Business-type Activities	Total	
Primary government:												
<u>Governmental activities:</u>												
General government	\$ 10,907,340	\$0	\$0	\$0	\$ 649,117	\$ 3,874,555	\$0	\$0	\$ (6,383,668)	\$0	\$ (6,383,668)	
Public Safety	18,376,544	0	43,567	98,935	36,945	3,810,803	984,228	1,271,102	(12,130,964)	0	(12,130,964)	
Public Works	5,479,634	1,402,391	54,031	286,480	0	423,758	209,566	0	(3,103,408)	0	(3,103,408)	
Public Health	1,878,717	0	0	191,508	0	0	0	0	(1,687,209)	0	(1,687,209)	
Social and Economic	1,744,917	0	0	0	0	0	0	0	(1,744,917)	0	(1,744,917)	
Culture and Recreation	334,760	0	0	0	0	0	35,268	55,934	(243,558)	0	(243,558)	
Community Development	1,441	0	0	0	0	0	0	0	(1,441)	0	(1,441)	
Conservation of Natural Resources	102,133	0	0	0	0	0	0	0	(102,133)	0	(102,133)	
Interest on Long-Term Debt	305,469	0	0	0	0	0	0	0	(305,469)	0	(305,469)	
Total governmental activities	39,130,955	1,402,391	97,598	576,923	686,062	8,109,116	1,229,062	1,327,036	(25,702,767)	0	(25,702,767)	
<u>Business-type activities:</u>												
Refuse Disposal	351,469	300,927	0	0	0	0	0	0	0	(50,542)	(50,542)	
METRA	5,383,030	0	0	-	0	3,791,856	0	0	0	(1,591,174)	(1,591,174)	
Total business-type activities:	5,734,499	300,927	0	-	0	3,791,856	0	0	0	(1,641,716)	(1,641,716)	
Total primary government	\$ 44,865,454	\$ 1,703,318	\$ 97,598	\$ 576,923	\$ 686,062	\$ 11,900,972	\$ 1,229,062	\$ 1,327,036	\$ (25,702,767)	\$ (1,641,716)	\$ (27,344,483)	
General revenues:												
Property taxes									20,919,057	933,731	21,852,788	
Licenses and permits									3,542,973	0	3,542,973	
Intergovernmental									3,660,561	24,874	3,685,435	
Other revenues									1,004,988	13,431	1,018,419	
Transfers									(171,785)	171,785	0	
Total general revenues and transfers									28,955,794	1,143,821	30,099,615	
Change in net assets									3,253,027	(497,895)	2,755,132	
Net assets, beginning									35,038,899	14,061,083	49,099,982	
Net assets - ending									\$ 38,291,926	\$ 13,563,188	\$ 51,855,114	

The notes to the financial statements are an integral part of this statement.

YELLOWSTONE COUNTY, MONTANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2005

	MAJOR FUNDS							Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Road	Property & Liability Insurance Fund	Public Safety Fund	R.S.I.D. Bond Fund	Capital Improvement Fund			
ASSETS									
Cash and demand investments	\$1,276,989	\$1,043,093	\$989,214	\$1,755,953	\$137,311	\$1,687,527	\$2,350,555	\$9,240,642	
Cash investments	1,887,238	1,621,776	1,525,581	2,730,113	213,032	2,602,613	3,642,445	14,222,798	
Receivables (net of allowance for uncollectibles):									
Property taxes	233,402	104,067	29,063	246,960	0	0	348,475	961,967	
Accounts	201,165	0	0	308,417	0	0	687,616	1,197,198	
Delinquent assessments	11,413	0	0	0	12,652	0	7,409	31,474	
Deferred assessments	0	0	0	0	1,411,362	0	0	1,411,362	
Accrued interest	60,567	0	7,664	0	513	13,023	7,257	89,024	
Due from other funds	62,474	0	0	0	0	0	0	62,474	
Due from other taxing districts	12,609	0	0	0	0	0	0	12,609	
Prepaid expenses	7,325	0	0	0	0	0	237	7,562	
Inventories	50,941	136,711	0	0	0	0	50,458	238,110	
Total assets	\$3,804,123	\$2,905,647	\$2,551,522	\$5,041,443	\$1,774,870	\$4,303,163	\$7,094,452	\$27,475,220	
LIABILITIES:									
Accounts payable	\$353,790	\$331,550	\$19,692	\$190,559	\$0	\$12,361	\$400,065	\$1,308,017	
Accrued liabilities	375,155	60,000	487,595	237,549	0	0	131,527	1,291,826	
Matured bonds payable	0	0	0	0	7,225	0	0	7,225	
Due to other funds	0	0	0	0	0	0	62,474	62,474	
Deferred revenue	244,815	104,067	29,063	246,960	1,424,014	0	355,884	2,404,803	
Due to other taxing districts	9,426	0	0	0	0	0	234,364	243,790	
Total liabilities	983,186	495,617	536,350	675,068	1,431,239	12,361	1,184,314	5,318,135	
FUND BALANCE:									
Reserved for debt service	0	0	0	0	343,631	0	449,053	792,684	
Reserved for capital improvements	327,215	0	0	0	0	4,290,802	564,147	5,182,164	
Reserved for inventories	50,941	136,711	0	0	0	0	50,458	238,110	
Unreserved for nonmajor special revenue funds	0	0	0	0	0	0	4,846,480	4,846,480	
Unreserved major funds	2,442,781	2,273,319	2,015,172	4,366,375	0	0	0	11,097,647	
Total fund balance	2,820,937	2,410,030	2,015,172	4,366,375	343,631	4,290,802	5,910,138	22,157,085	
Total liabilities and fund balance	\$3,804,123	\$2,905,647	\$2,551,522	\$5,041,443	\$1,774,870	\$4,303,163	\$7,094,452	\$27,475,220	

The notes to the financial statements are an integral part of this statement

**YELLOWSTONE COUNTY
RECONCILIATION OF BALANCE SHEET FUND BALANCE
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2005**

Fund Balance June 30, 2005, governmental funds	\$ 22,157,085
Net assets of internal service funds as of June 30, 2005, are included as general governmental functions since they are primarily related to that function.	1,418,106
Net capital assets of internal service funds included above	(25,547)
Long-term assets are not available to pay for current period expenditures and, therefore, are deferred on the fund statements	2,404,803
Long-term portion of compensated absences is not anticipated to be expended in the current period	(1,452,931)
Long-term debt previously recognized as revenue in prior periods	(7,634,463)
Accrued interest payable on long-term debt	(56,214)
Net capital assets	21,481,087
 Net Assets of governmental activities, June 30, 2005	 <u><u>\$ 38,291,926</u></u>

The notes to the financial statements are an integral part of this statement.

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	MAJOR FUNDS							Total Governmental Funds
	<u>General</u>	<u>Road</u>	Property and Liability Insurance <u>Fund</u>	Public Safety <u>Fund</u>	RSID Bond <u>Fund</u>	Capital Improvement <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	
REVENUES:								
Taxes	\$4,900,679	\$2,270,835	\$614,116	\$5,243,278	\$0	\$0	\$7,733,567	\$20,762,475
Special assessments	0	0	0	0	364,734	0	301,403	666,137
Licenses and permits	16,530	54,031	0	3,520,010	0	0	50,000	3,640,571
Intergovernmental	1,892,200	1,686,513	16,900	253,674	0	0	2,944,295	6,793,582
Fines and forfeitures	649,117	0	0	0	0	0	36,945	686,062
Charges for services	1,209,978	227,600	276,000	2,335,565	0	25,268	1,819,170	5,893,581
Other	572,012	10,101	66,771	82,236	3,465	128,766	111,677	975,028
Total revenues	9,240,516	4,249,080	973,787	11,434,763	368,199	154,034	12,997,057	39,417,436
EXPENDITURES:								
Current:								
General government	5,277,645	0	851,049	0	0	0	978,577	7,107,271
Public safety	1,195,286	0	0	10,681,216	0	0	5,646,468	17,522,970
Public works	0	3,380,591	0	0	0	0	793,274	4,173,865
Public health	179,655	0	0	137,026	0	0	1,562,203	1,878,884
Social and economic services	631,140	0	0	0	0	0	594,978	1,226,118
Culture and recreation	0	0	0	0	0	0	792,437	792,437
Conservation of natural resources	0	0	0	0	0	0	81,647	81,647
Community development	1,441	0	0	0	0	0	0	1,441
Capital outlay	1,182,193	231,358	12,496	391,346	0	427,395	1,540,502	3,785,290
Debt service:								
Principal	10,757	0	0	0	189,411	0	559,247	759,415
Interest	2,747	0	0	0	46,357	0	238,411	287,515
Total expenditures	8,480,864	3,611,949	863,545	11,209,588	235,768	427,395	12,787,744	37,616,853
Excess (deficiency) of revenues over (under) expenditures	759,652	637,131	110,242	225,175	132,431	(273,361)	209,313	1,800,583
OTHER FINANCING SOURCES (USES):								
Interfund transfers in	277,042	57,945	6,216	191,911	19,974	789,296	1,865,886	3,208,270
Interfund transfers out	(1,362,178)	(230,000)	0	(329,220)	0	(170,700)	(2,283,872)	(4,375,970)
Long term debt proceeds	0	0	0	0	45,920	35,000	1,102,080	1,183,000
Total other financing sources (uses)	(1,085,136)	(172,055)	6,216	(137,309)	65,894	653,596	684,094	15,300
Net change in fund balances	(325,484)	465,076	116,458	87,866	198,325	380,235	893,407	1,815,883
Fund balances July 1, 2004	3,146,421	1,944,954	1,898,714	4,278,509	145,306	3,910,567	5,016,731	20,341,202
Fund balances June 30, 2005	\$2,820,937	\$2,410,030	\$2,015,172	\$4,366,375	\$343,631	\$4,290,802	\$5,910,138	\$22,157,085

The notes to the financial statements are an integral part of this statement.

**YELLOWSTONE COUNTY
RECONCILIATION of THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS to the STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30,2005**

Net change in fund balances - total governmental funds	\$ 1,815,883
Change in net assets of internal service funds are included as general governmental functions since they are primarily related to that function.	794,247
Capital Assets:	
Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.	
Acquisition of capital assets	2,350,123
Depreciation expense	(1,902,144)
Loss on disposal of capital assets	(20,486)
Increase in property tax and special assessment receivables that may not be available in the current period	892,836
Increase in the long-term portion of compensated absences that is not anticipated to be expended in the current period	(235,893)
Change in net long-term debt (notes, bonds). Repayment or the issuance of debt has no impact on net assets. Governmental funds report repayment of debt as an expenditure and the issuance of debt as revenue.	(423,585)
Change in accrued interest payable	(17,954)
Change in net assets in governmental activities	<u>\$ 3,253,027</u>

The notes to the financial statements are an integral part of this statement.

YELLOWSTONE COUNTY, MONTANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005
(Page 1 of 2)

	BUDGET		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final Revised		
REVENUES:				
Taxes:				
Real estate property taxes	\$4,675,524	\$4,675,524	\$4,660,416	(\$15,108)
Personal property taxes	152,300	152,300	154,637	2,337
Mobile homes, penalty and interest, othe:	109,790	109,790	85,626	(24,164)
Licenses and permits	21,300	21,300	16,530	(4,770)
Intergovernmental:				
Grants	72,000	2,609,582	1,702,015	(907,567)
State personal property reimbursement	134,037	134,037	133,721	(316)
State entitlement and other	52,732	52,732	56,464	3,732
Fines and forfeitures, justice court	675,000	675,000	649,117	(25,883)
Charges for services:				
Clerk & Recorder	1,000,000	1,000,000	1,062,334	62,334
Miscellaneous	156,000	156,000	147,644	(8,356)
Other:				
Interest on investments	400,000	400,000	509,397	109,397
Miscellaneous	57,500	92,078	62,615	(29,463)
Total revenues	\$7,506,183	\$ 10,078,343	\$ 9,240,516	\$ (837,827)

**YELLOWSTONE COUNTY, MONTANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005
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Current:	BUDGET			Variance with Final Budget -
	Original	Final Revised	Actual	Positive (Negative)
General government:				
County commissioners	\$ 339,698	\$ 356,198	\$ 348,129	\$ 8,069
Elections	280,049	298,049	284,822	13,227
Clerk & Recorder	332,442	332,442	304,153	28,289
Treasurer, Auditor, Finance	1,514,709	1,514,805	1,465,838	48,967
Information technology	571,356	583,656	543,347	40,309
Building maintenance	515,453	525,453	524,631	822
Other	2,012,319	1,950,098	1,806,725	143,373
Public safety:				
Disaster and Emergency, Rural Fire	246,336	246,336	232,061	14,275
Juvenile detention	285,000	285,000	285,000	0
Other	161,500	1,389,101	678,225	710,876
Public health	179,837	179,837	179,655	182
Social and economic services				
Youth shelter	180,000	180,000	180,000	0
Rent assistance program	162,500	162,500	137,250	25,250
Medical assistance program	235,000	235,000	218,147	16,853
Other	77,900	128,208	95,743	32,465
Community development	0	15,573	1,441	14,132
Capital outlay	163,060	1,428,381	1,182,193	246,188
Debt service:				
Principal	10,757	10,757	10,757	0
Interest	2,747	2,747	2,747	0
Total expenditures	7,270,663	9,824,141	8,480,864	1,343,277
Excess (deficiency) of revenues over (under) expenditures	235,520	254,202	759,652	505,450
OTHER FINANCING SOURCES (USES):				
Interfund transfers in	289,911	289,911	277,042	(12,869)
Interfund transfers out	(1,359,418)	(1,378,100)	(1,362,178)	15,922
Total other financing sources (uses)	(1,069,507)	(1,088,189)	(1,085,136)	3,053
Net change in fund balances	(\$833,987)	(\$833,987)	(325,484)	\$508,503
Fund balance July 1, 2004			3,146,421	
Fund balance June 30, 2005			\$2,820,937	

The notes to the financial statements are an integral part of this statement.

YELLOWSTONE COUNTY, MONTANA
MAJOR SPECIAL REVENUE FUNDS - ROAD, PROPERTY and LIABILITY INSURANCE, AND PUBLIC SAFETY FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Road Fund				Property and Liability Insurance Fund				Public Safety Fund			
	BUDGET		Actual	Variance with Final Budget - Positive (Negative)	BUDGET		Actual	Variance with Final Budget - Positive (Negative)	BUDGET		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final Revised			Original	Final Revised			Original	Final Revised		
REVENUES:												
Taxes	\$2,290,517	\$2,290,517	\$2,270,835	(\$19,682)	\$619,957	\$619,957	\$614,116	(\$5,841)	\$5,292,988	\$5,292,988	\$5,243,278	(\$49,710)
Licenses and permits	40,000	40,000	54,031	14,031	0	0	0	0	3,523,000	3,523,000	3,520,010	(2,990)
Intergovernmental	1,687,239	1,687,239	1,686,513	(726)	17,050	17,050	16,900	(150)	226,738	261,253	253,674	(7,579)
Fines and forfeitures	0	0	0	0	0	0	0	0	0	0	0	0
Charges for services	210,700	210,700	227,600	16,900	276,000	276,000	276,000	0	2,284,000	2,284,000	2,335,565	51,565
Other	200	200	10,101	9,901	45,000	45,000	66,771	21,771	3,360	3,360	82,236	78,876
Total revenues	4,228,656	4,228,656	4,249,080	20,424	958,007	958,007	973,787	15,780	11,330,086	11,364,601	11,434,763	70,162
EXPENDITURES:												
Current:												
General government	\$0	\$0	\$0	\$0	\$2,201,484	\$2,180,478	\$851,049	\$1,329,429	\$0	\$0	\$0	\$0
Public safety	0	0	0	0	0	0	0	0	11,359,032	11,336,862	10,681,216	655,646
Public works	4,020,208	3,993,606	3,380,591	613,015	0	0	0	0	0	0	0	0
Public health	0	0	0	0	0	0	0	0	139,758	139,758	137,026	2,732
Capital outlay	409,889	436,491	231,358	205,133	1,100	22,106	12,496	9,610	423,290	482,446	391,346	91,100
Total expenditures	4,430,097	4,430,097	3,611,949	818,148	2,202,584	2,202,584	863,545	1,339,039	11,922,080	11,959,066	11,209,588	749,478
Excess (deficiency) of revenues over (under) expenditures	(201,441)	(201,441)	637,131	838,572	(1,244,577)	(1,244,577)	110,242	1,354,819	(591,994)	(594,465)	225,175	819,640
OTHER FINANCING SOURCES (USES):												
Interfund transfers in	60,360	60,360	57,945	(2,415)	6,615	6,615	6,216	(399)	196,671	196,671	191,911	(4,760)
Interfund transfers out	(230,000)	(230,000)	(230,000)	0	0	0	0	0	(340,000)	(340,000)	(329,220)	10,780
Total other financing sources (uses)	(169,640)	(169,640)	(172,055)	(2,415)	6,615	6,615	6,216	(399)	(143,329)	(143,329)	(137,309)	6,020
Net change in fund balances	(\$371,081)	(\$371,081)	465,076	\$836,157	(\$1,237,962)	(\$1,237,962)	116,458	\$1,354,420	(\$735,323)	(\$737,794)	87,866	\$825,660
Fund balances July 1, 2004			1,944,954				1,898,714				4,278,509	
Fund balances June 30, 2005			\$2,410,030				\$2,015,172				\$4,366,375	

The notes to the financial statements are an integral part of this statement.

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2005
(Page 1 of 2)

<u>ASSETS</u>	Business-Type Activities Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
CURRENT ASSETS:				
Cash and demand investments	\$362,522	\$213,920	\$576,442	\$809,713
Cash investments	563,640	330,329	893,969	1,253,403
Restricted cash held in trust	0	112,674	112,674	0
Receivables (net of allowance for uncollectibles):				
Property taxes	0	42,867	42,867	0
Accounts	0	11,474	11,474	2,664
Delinquent assessments	43,552	0	43,552	0
Accrued interest	0	1,399	1,399	3,406
Prepaid expenses	0	12,670	12,670	0
Inventories	0	31,322	31,322	0
Total current assets	969,714	756,655	1,726,369	2,069,186
NONCURRENT ASSETS:				
Capital assets:				
Land	0	368,574	368,574	0
Buildings	0	21,741,656	21,741,656	0
Improvements other than buildings	0	2,638,348	2,638,348	0
Equipment and vehicles	0	1,220,011	1,220,011	440,007
Accumulated depreciation	0	(13,195,508)	(13,195,508)	(414,460)
Total capital assets (net of accumulated depreciation)	0	12,773,081	12,773,081	25,547
Total assets	\$969,714	\$13,529,736	\$14,499,450	\$2,094,733

The notes to the financial statements are an integral part of this statement.

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2005
(Page 2 of 2)

	Business-Type Activities Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
<u>LIABILITIES</u>				
CURRENT LIABILITIES:				
Accounts payable	0	\$80,397	\$80,397	\$7,839
Accrued liabilities	0	90,010	90,010	434,817
Accrued compensated absences	0	43,527	43,527	787
Unearned premiums	0	0	0	230,822
Notes payable	0	102,288	102,288	0
Total current liabilities	0	316,222	316,222	674,265
CURRENT LIABILITIES PAYABLE FROM RESTRICTED CASH:				
Deferred revenue	0	79,221	79,221	0
Deposits	0	16,252	16,252	0
Total current liabilities payable from restricted cash	0	95,473	95,473	0
NONCURRENT LIABILITIES:				
Accrued compensated absences	0	130,580	130,580	2,362
Notes payable	0	393,987	393,987	0
Total noncurrent liabilities	0	524,567	524,567	2,362
Total liabilities	0	936,262	936,262	676,627
<u>NET ASSETS</u>				
Investment in capital assets, net of related debt	0	12,276,806	12,276,806	25,547
Unrestricted	969,714	316,668	1,286,382	1,392,559
Total net assets	969,714	12,593,474	13,563,188	1,418,106
Total liabilities and net assets	\$969,714	\$13,529,736	\$14,499,450	\$2,094,733

The notes to the financial statements are an integral part of this statement.

YELLOWSTONE COUNTY, MONTANA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	Business-Type Activities - Enterprise Funds			Governmental Activities -
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
OPERATING REVENUES:				
Charge for services and use of facilities	\$ 300,927	\$ 3,791,856	\$ 4,092,783	\$ 292,214
Health insurance premiums	0	0	0	3,794,157
Total operating revenues	300,927	3,791,856	4,092,783	4,086,371
OPERATING EXPENSES:				
Salaries and benefits	0	2,170,082	2,170,082	45,599
Supplies	0	703,394	703,394	25,196
Contracted services	351,469	1,522,023	1,873,492	175,215
Health claims	0	0	0	3,772,479
Stop-loss insurance and administration	0	0	0	284,995
Awards	0	161,171	161,171	0
Bad debt expense	0	10,453	10,453	0
Depreciation	0	800,087	800,087	14,515
Total operating expenses	351,469	5,367,210	5,718,679	4,317,999
Operating income (loss)	(50,542)	(1,575,354)	(1,625,896)	(231,628)
NONOPERATING REVENUES (EXPENSES):				
Taxes	0	933,731	933,731	0
Intergovernmental revenue	0	24,874	24,874	0
Interest revenue	0	13,431	13,431	29,960
Interest expense	0	(15,820)	(15,820)	0
Total nonoperating revenues (expenses)	0	956,216	956,216	29,960
Income (loss) before transfers	(50,542)	(619,138)	(669,680)	(201,668)
Transfer in from other funds	0	195,285	195,285	995,915
Transfer out to other funds	(23,500)	0	(23,500)	0
Change in net assets	(74,042)	(423,853)	(497,895)	794,247
Net assets July 1, 2004	1,043,756	13,017,327	14,061,083	623,859
Net assets June 30, 2005	\$ 969,714	\$ 12,593,474	\$ 13,563,188	\$ 1,418,106

The notes to the financial statements are an integral part of this statement

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

(Page 1 of 2)

	Business-type Activities - Enterprise Funds			Governmental
	Refuse Disposal	METRA	Total	Internal
	Fund	Fund		Service Funds
<u>Cash flows from operating activities:</u>				
Cash received from users	\$ 299,397	\$ 3,764,272	\$ 4,063,669	\$ 305,168
Cash received from health insurance premiums	0	0	0	3,855,423
Cash paid to other suppliers for goods or services	(351,469)	(2,417,730)	(2,769,199)	(177,573)
Cash paid to employees for services	0	(2,151,008)	(2,151,008)	(45,492)
Cash paid for health claims	0	0	0	(3,713,926)
Cash paid for stop-loss insurance and administration	0	0	0	(311,287)
Net cash provided (used) by operating activities	(52,072)	(804,466)	(856,538)	(87,687)
<u>Cash flows from noncapital financing activities:</u>				
Cash received from taxes, licenses, permits, and intergovernmental revenue	0	951,435	951,435	0
Cash received from interfund transfer	0	0	0	995,915
Cash transferred from permissive medical levy fund	0	39,585	39,585	0
Cash transferred to Blight Abatement	(23,500)	0	(23,500)	0
Net cash provided (used) by noncapital financing activities	(23,500)	991,020	967,520	995,915
<u>Cash flows from capital and related financing activities:</u>				
Acquisition of capital assets	0	(156,930)	(156,930)	0
Principal paid on notes payable	0	(98,655)	(98,655)	0
Interest paid on notes payable	0	(14,890)	(14,890)	0
Net cash used for capital and related financing activities	0	(270,475)	(270,475)	0
<u>Cash flows from investing activities:</u>				
Withdrawals from investment pool	97,964	0	97,964	0
Deposits into investment pool	0	(330,329)	(330,329)	(513,290)
Interest received on investments	0	13,612	13,612	29,857
Net cash provided (used) by investing activities	97,964	(316,717)	(218,753)	(483,433)
Net increase (decrease) in cash and demand investments:	22,392	(400,638)	(378,246)	424,795
Cash and demand investments, and restricted cash, July 1, 2004	340,130	727,232	1,067,362	384,918
Cash and demand investments, and restricted cash, June 30, 2005	\$ 362,522	\$ 326,594	\$ 689,116	\$ 809,713
<u>Presented in Statement of Net Assets as follows:</u>				
Cash and demand investments, pooled	\$ 362,522	\$ 213,920	\$ 576,442	
Restricted cash held in trust, nonpooled	0	112,674	112,674	
Cash and demand investments, and restricted cash, June 30, 2005	\$ 362,522	\$ 326,594	\$ 689,116	

The notes to the financial statements are an integral part of this statement

**YELLOWSTONE COUNTY, MONTANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2005
(Page 2 of 2)**

	Business-type Activities - Enterprise Funds			Governmental Activities
	Refuse Disposal Fund	METRA Fund	Total	Internal Service Funds
	Noncash transactions:			
Forgiveness of debt - skybox loan from Capital Improvememt Fund	\$ 0	\$ 155,700	\$ 155,700	\$ 0
Increase in cash investments market value	\$ 0	\$ 1,851	\$ 1,851	\$ 3,090
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>				
Operating income (loss)	<u>\$ (50,542)</u>	<u>\$ (1,575,354)</u>	<u>\$ (1,625,896)</u>	<u>\$ (231,628)</u>
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation expense	0	800,087	800,087	14,515
(Increase) decrease in assets:				
Accounts receivable	0	19,870	19,870	12,954
Delinquent assessments receivable	(1,530)	0	(1,530)	0
Prepaid expenses	0	13,364	13,364	0
Inventories	0	(9,351)	(9,351)	0
Increase (decrease) in liabilities:				
Accounts payable	0	(35,155)	(35,155)	(3,599)
Accrued liabilities	0	73,274	73,274	58,805
Unearned premiums	0	0	0	61,266
Deferred revenue	0	(93,907)	(93,907)	0
Deposits	0	2,706	2,706	0
Total adjustments	<u>(1,530)</u>	<u>770,888</u>	<u>769,358</u>	<u>143,941</u>
Net cash provided (used) by operating activities	<u><u>\$ (52,072)</u></u>	<u><u>\$ (804,466)</u></u>	<u><u>\$ (856,538)</u></u>	<u><u>\$ (87,687)</u></u>

The notes to the financial statements are an integral part of this statement

**YELLOWSTONE COUNTY, MONTANA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2005**

	External Investment Trust Fund	Agency Funds	Total Fiduciary Funds
<u>ASSETS</u>			
Cash and demand investments, pooled	\$ 15,537,978	\$ 1,610,345	\$ 17,148,323
Cash investments, pooled	23,948,962	2,503,725	26,452,687
Restricted cash and demand investments for capital improvements, nonpooled	0	8,174,241	8,174,241
Restricted cash investments for capital improvements, nonpooled	0	12,705,150	12,705,150
Restricted cash held in trust	0	51,262	51,262
Receivables:			
Property taxes	0	5,526,602	5,526,602
Delinquent assessments	0	878,135	878,135
Deferred assessments	0	6,916	6,916
Accrued interest	128,983	138,186	267,169
Due from other taxing districts	0	103,018	103,018
Total assets	\$ 39,615,923	\$ 31,697,580	\$ 71,313,503
<u>LIABILITIES</u>			
Accounts payable	\$ 0	\$ 246,654	\$ 246,654
Due to general fund	0	12,609	12,609
Due to others	0	2,665,258	2,665,258
Due to other taxing districts	0	28,773,059	28,773,059
Total liabilities	0	31,697,580	31,697,580
<u>NET ASSETS</u>			
Net assets held in trust for pool participants	\$ 39,615,923	\$ 0	\$ 39,615,923

The notes to the financial statements are an integral part of this statement.

YELLOWSTONE COUNTY, MONTANA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
EXTERNAL INVESTMENT TRUST FUND
FOR THE YEAR ENDED JUNE 30, 2005

ADDITIONS:

Contributions to pooled investments	\$ 564,361,078	
Interest and investment income	1,075,036	
Total additions	<hr/>	\$ 565,436,114

DEDUCTIONS

Distributions from pooled investments	(575,814,651)	
Investment administrative expenses	(9,993)	
Total deductions	<hr/>	(575,824,644)

Change in net assets held in trust for pool participants **(10,388,530)**

Net assets held in trust for pool participants, July 1, 2004 **50,004,453**

Net assets held in trust for pool participants, June 30, 2005 **\$ 39,615,923**

The notes to the financial statements are an integral part of this statement.